

Before The
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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DEC - 8 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In re Amendments of Parts)
15 and 90 of the Commission's)
Rules to Provide Additional)
Frequencies for Cordless Telephones)

ET Docket 93-235

To The Commission:

Comments of
NORTH AMERICAN FOREIGN TRADING CORPORATION

North American Foreign Trading Corporation ("NAFTC"), by its attorneys, submits its comments in support of the captioned Notice of Proposed Rulemaking, FCC 93-422, issued September 17, 1993.

NAFTC is a privately held corporation based in New York City and currently has a significant interest in cordless telephone technology. For example, NAFTC has for some time supplied the American public with the increased convenience and enhanced features of cordless telephone technology.

NAFTC is aware of the channel congestion that exists in the 46/49 MHz frequency bands for cordless phones. NAFTC therefore fully supports the Commission's efforts to provide additional frequencies to alleviate this overcrowding. Further, NAFTC supports the proposal to allocate additional frequencies in close proximity to existing frequencies allocated for cordless telephones. Notice, ¶10.

NAFTC agrees with the Commission, that despite the advent of developing alternative technologies such as PCS, there will continue to be public need and demand for cordless phones for the indefinite future. And, as the Notice correctly determines, these

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additional frequencies should be allocated from bands in close proximity to the existing allocation in order to avoid the unnecessary costs associated with the design and manufacture of phones using frequencies in higher frequency bands. NAFTC therefore urges the Commission to amend its rules to provide for additional frequencies for cordless phones as proposed in the Notice.

Because of the obviousness of the correct determination on the need for and public benefits to the allocation of the additional frequencies as proposed, of greater concern to NAFTC than the issues of allocation of additional frequencies is the timing and certainty of the Commission's final action. The process of design and manufacture of new cordless phones using the new frequencies will require 6 to 9 months or longer to complete. NAFTC is certain that the Commission is fully cognizant that such time frames are required and will therefore adopt reasonable requirements addressing the need for proper time frames by which the industry will be expected to come into compliance, submit applications for authorizations and take whatever related actions are necessary to implement proper marketing and sale of the new phones.

From NAFTC's standpoint however, it is even more important for the Commission to understand that there is another time frame that greatly affects critical investment decisions and risk allocation. It is essential for companies like NAFTC to know as early as possible if and when the Commission intends to take final action on the issues raised in this proceeding.

For example, NAFTC is currently faced with decisions affecting the significant investment necessary to commence the manufacturing process for cordless phones using the new frequencies. Because of the relatively long lead time of the manufacturing to importation to distribution stage of the supply process, NAFTC needs to know as soon as possible when the Commission's decision on allocating the additional frequencies will be made.

If that decision is to be delayed until well into 1994, NAFTC has no need to now expend the significant investment that will be needed to commence the manufacturing process. At the same time, NAFTC's customers, the major retail chains and others, need to know about the timing of the FCC's final decision in order to finalize their planning in order to cost effectively manage their inventories of merchandise they will be offering to the public.

For example, if the FCC's decision is delayed well into 1994, NAFTC's customers need not plan to incorporate cordless phones using the new frequencies into their inventories for their major selling season for that year - Christmas, 1994. The long manufacturing to distribution process will preclude such new frequency phones from being available in time for that peak selling period of 1994.

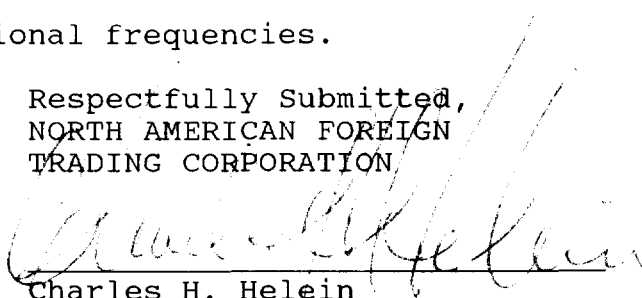
On the other hand, if the Commission plans to act by the first quarter of 1994, NAFTC and its customers need to know in order to immediately plan for the expenditure of the investment necessary to commence the design and manufacturing process in order to have the new frequency phones available later in the year. This lead time

is also necessary for NAFTC's retail customers to immediately commence planning to incorporate the new frequency phones into their marketing programs and inventory management for later in that same year.

NAFTC understands that it is not easy to forecast the timing of any action, regardless of how seemingly meritorious and uncontroversial it appears to be. Nonetheless, as critical as the timing of such action as proposed here is to the efficient deployment of resources and assets necessary to manufacture, distribute and retail the advances in technology the Commission is considering bringing to the American people, appropriate coordination with the industry on that timing should be viewed as a necessary part of the Commission's obligations. In no small part, inefficient deployment of these resources based on inadequate or no information on timing of Commission action can only mean higher prices to American consumers, thereby stunting the benefits of the advances in technology the Commission is crafting by its proposed allocation of additional frequencies.

Respectfully Submitted,
NORTH AMERICAN FOREIGN
TRADING CORPORATION

By


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CERTIFICATE OF SERVICE

I, Suzanne Helein, a secretary in the law offices of Helein, Waysdorf & Mandigo, P.C., do hereby state and affirm that copies of the foregoing "Comments of North American Foreign Trading Corporation," in ET Docket 93-235, were served via hand delivery, this 8th day of December, 1993, on the following:

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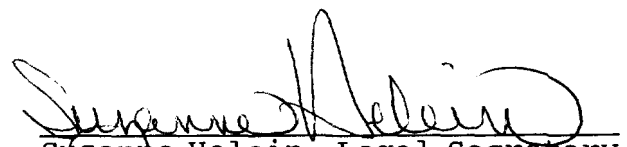
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